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ORGANIZATION OF THE TRUST FOR FACTORY CONSTRUCTIONS IN HUNGARY

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All large factories in Hungary are constructed by the Budapest Gyarepito Ipari Troszt (Trust for Factory Constructions). This trust formulates and implements the plans for construction projects, and recruits the workers. The main office of the trust is located in Budapest, Iranyi utca 17, where it covers an entire city block. About 500 laborers and employees work in the main office. All the other workers of the trust are employed on various construction projects.

Miklos Kovacs is the head of the trust, and Ferenc Eke is his deputy. On the second floor of the main office are the offices of the directors and the chief construction managers.

Room No 1 is occupied by the manpower division, of which Ferenc Sarkosy is in charge. Mrs. Bela Toth is his deputy. Room No 2 is occupied by the trade union insurance and registration office. Karoly Takacs is in charge and Balint Toth is his deputy.

The disciplinary commission is located in Room No 3. Bertalan Stern is chairman, and the members are László Szepesi, Ferenc Benke, Gyula Sefar, and Gaspar Szabo. Room No 4 is occupied by the norm division; Vilmos Vida is in charge and Jozsef Szalai is his deputy. Room No 5 is occupied by the payroll office, of which Ferenc Mangurik is in charge. Jozsef Toth is his deputy. Akos Falus, head cashier, and Gosa Bruyp, his deputy, are located in Room No 6. The technical management is located in Room No 7; Alejos Szabeni is in charge and Gera Szanyi is his deputy.

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Room No 8 is the office of Janos Zold, production manager, and Janos Vincze, his deputy. The plant committee, of which Jozsef Herskovits is chairman and Lajos Zsombok is secretary, is located in Room No 9. Room No 10 is occupied by Sandor Bene, head of the social-political division. Gabriella Nagy is his deputy.

Room No 11 is the office of the general committee of the Federation of Working Youth, of which Mahaly Lippai is secretary; Ilona Osztrovski is his deputy. Sandor Korosi, head of the party committee, has his office in Room No 12. Pal Szekeres and Mihaly Varga are Korosi's deputy and secretary, respectively.

The chief construction management is located on a corridor at right angles to the above-mentioned offices. Room No 13 is occupied by Lajos Bokros, chief construction manager. Room No 14 is the office of Pal Novodovszky and Gyula Safar. Rooms No 15 to 20 are, respectively, the offices of the following officials: Mihaly Kis, Istvan Romhany, Adolf Kern, Andreas Sandor, Jozsef Kormos, and Lajos Hajnal. Room No 21 is occupied by Armin Magyar, chief of the information division.

On the third floor are Laszlo Kunatetter, in charge of bookkeeping, and Janos Grosz, in charge of records. Here also is located the planning office, of which Janos Mester is in charge, and the office of the following engineers who are occupied with planning work: Imre Jonas, Laszlo Csordas, Istvan Rethy, Lenard Palheim, and Karoly Zircy. The control division, which is also located here, is headed by Imre Kiraly.

When the Ministry of Construction's planning office, which is supervised by Janos Habeli, decides to construct a factory, it orders the Enterprise for the Planning of Industrial Construction to draw up a plan based on general specifications furnished by the ministry. The technicians must draw up the plan without seeing the construction site. After the plan is completed, it is submitted to the ministry. The ministry gives it to Kovacs, head of the construction trust, who then gives it to the planning office of the trust. Only then does Janos Mester visit the construction site and make the necessary changes in the plan of the Enterprise for the Planning of Industrial Construction. Afterward, the management and the interested party officials select the construction manager, who leaves his place of work and immediately starts on the new project. The construction manager takes with him all his skilled workers, as well as the norm expert and the head of the payroll office. A company is then established which is given a division number of the trust. The director of this company is appointed by the Technical Division [not further identified]. The plant's party secretary and the head of the control office are appointed by the local party authorities.

An engineer appointed by the main office establishes a local planning office. The individual construction companies must submit to the trust monthly reports on their work and financial status. The funds are made available by the main office of the trust. After completion of the construction project, the company established to do the work is dissolved.

Directors and construction managers are subject to frequent changes in jobs. For example, an efficient construction manager with a good reputation is recalled from a work project if it is not progressing according to plan. Construction managers are thus forced into competition and intrigues.

Kovacs, head of the trust, sends administrative orders to the construction managers by Eke, his deputy. Eke visits the construction projects only on rare occasions; for instance, when the workers start to revolt against their superiors despite the iron discipline imposed. Eke, who was formerly a laborer and

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knows many of the workers, quickly determines the causes of the discontent and the leaders of the revolt. He then furnishes the AVH (Allamvedelmi Hatóság, State Security Authority) with evidence which results in the removal of the workers concerned.

Since many workers far exceeded their prescribed work minimum, attempts were made at the end of September 1951 to introduce individual norms in Sztalinvaros. Under the leadership of Lajos Kis, a bricklayer apprentice, and Juliana Hideg, about 200 men who were affected by these measures protested vehemently. Eke and Takacs handled the case; as a result, four workers, including Kis and Hideg, were arrested. Nobody ever heard from them again. Following the introduction of individual norms, a worker who exceeded the norm by more than 100 percent had his norm increased by 30 percent, and a worker whose total performance amounted to 500 percent had his norm increased to 50 percent of the total performance.

A similar incident took place at the construction of the textile combine in Szeged. Gyorgy Kovacs, a concrete worker and former foreman, led his colleagues in demanding an immediate extra payment upon separation. Eke investigated the situation, assisted by several AVH men from Szeged, who arrested Kovacs. After 2 months, Kovacs notified his family that he had been sentenced to 1 1/2 years in prison.

Frequently the head of an office at the main office in Budapest has to take orders from his deputy because the latter holds a higher party rank. Thus, for example, Ferenc Sarkozy, head of the employment office, has to obey the orders of Mrs Bela Toth, his deputy.

Balint Toth is one of the most prominent party members. He is the head of the insurance division [sic] and is an example of Communist vigilance. He is hated by the workers because he denies insurance payments to those workers who are entitled to them.

Bartalan Stern, chairman of the disciplinary commission, is known throughout Budapest because he orders workers who are summoned before the disciplinary commission to pay fines, or he even dismisses them from work. He and Mrs Szepesi, his deputy, who serves as labor control officer appointed by the party and who is also a member of the local labor court, exaggerate minor accusations against discontented laborers in order to make it possible for Stern to impose severe penalties. In October 1951, for example, Istvan Sos, a laborer in Sztalinvaros, was dismissed from his job because he did not respect the rank difference between a laborer of the first and the second class and intended to distribute the pay of his brigade equally among the workers, regardless of rank. After his dismissal, he was unable to find employment with any state enterprise.

Vilmos Vida, head of the norm division, is one of the leading party members. He inspects the construction project sites and if no norm has been established for certain work procedures, he sets up norms which are generally so high that they cannot be reached by the workers.

Atos Falus, head cashier, is a former bank employee who is in good standing with the party. He subjects the [non-Communist] workers to a great deal of "red tape," involving paper work and signatures of the party secretariat. However when Falus sees the party button on a worker, he pays him immediately without the approval of the party secretariat.

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Szebeni (formerly Lajos Schonfeld) [sic], technical director, is a leading party member. He presumably has a high income, since he owns 17 apartment houses in the best district of Budapest (Belvaros), an unusual situation in a socialist country. Abonyi, his deputy, also owns a number of apartment houses.

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Janos Zold and Janos Vincze, in charge of the production division, specialize in finding new methods of exploiting the workers. For example, they forbid the bricklayers to put down their cement boxes and take a rest when they have to cover a distance of only 100 meters; Zold and Vincze claim that, as a result, 2 hours are saved daily and higher norms can be reached. In another case, they ordered higher side walls built on pushcarts so that one cubic meter of sand can be transported in one trip.

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